

**Department of Finance
Pro Rata and SWCAP
Assessment Variance Analysis**

This sheet can be used in conjunction with reviewing a department's Pro Rata Assessment (Green Sheet) and the SWCAP Apportionment (Pink Sheet), along with the following reports available online at the following links:

1. Pro Rata: <https://dof.ca.gov/accounting/accounting-statewide-cost-allocation/pro-rata-library/>
2. SWCAP: <https://dof.ca.gov/accounting/accounting-statewide-cost-allocation/swcap-library/>

In addition, comparing the current reports to prior years' reports will provide information to evaluate any increases or decreases by allocation, fund, or function.

A. Increase/Decrease in Allocation (Overall)

1. *Review workload for reasonableness* (as presented in the Detail Report by Department and Function). For example, if the State Auditor's hours are significantly higher than in the 2026-27 Plan, did the department have a large audit(s) done? That would lead to an increase in costs and Roll-Forward amounts.
2. *Using the 2026-27 Governor's Budget, review the department's budget from 2025-26 (mid column) to the department's 2024-25 budget.* If the department's total funding had a significant increase/decrease, it is possible that there would be a corresponding significant increase/decrease for its total allocation.

B. Increase/Decrease in a Specific Fund

1. *Compare the budgeted amount for the fund in 2024-25 to that of 2025-26.* If the fund's budgeted amount significantly increased/decreased, then the fund's allocation should have a corresponding increase/decrease (assuming workload is comparable). This increase/decrease would be based on the fund's proportion of the department's total state operations budget (excluding reimbursements).
2. *Evaluate the current Roll-Forward amount.* If a fund has a large roll-forward amount, its total allocation will increase correspondingly. If it has a large negative roll-forward amount, its allocation will decrease correspondingly.
3. *Compare the 2026-27 and 2027-28 Roll-Forward amounts.* If 2026-27 had a negative roll-forward amount, a reduction to the fund's total allocation, while 2027-28 has a positive roll-forward amount, increasing the fund's total allocation, creating a variance in the total allocation between the two years.

C. Increase/Decrease in a Specific Function

1. *Compare the 2026-27 and 2027-28 workload amounts.* For example, if the 2027-28 Budget hours are significantly higher than the 2026-27 budget hours, did the department have a significant amount of budget work done? Was there an increase in approved BCPs? Did legislation affect the department's budget? Activities such as these would lead to an increase in costs and Roll-Forward amounts. Evaluate workload to ensure reasonableness.
2. *Compare the 2026-27 and 2027-28 Roll-Forward amounts.* For example, if in 2026-27 there was a large negative roll-forward amount, and in 2027-28 there is a positive roll-forward amount, that would lead to an increase in the function allocation.
3. *Evaluate the reasonableness of the Budget Year Estimate.* If the department had a State Auditor audit performed in 2025-26 (Past Year Actuals) but will not have an audit in 2027-28, then the allocation for this function will be higher based on the current workload.

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How Does the Calculation Work?

Amount calculated for
the past fiscal year.

Past Year
difference
(actual – estimate)

Total by each function
and for all functions
for the State
department.

Past Year -
Actual

Past Year =
Estimate

Roll-
Forward

+ Budget Year
Estimate

= Total
Allocation

From the plan of two years
ago, this was the budget year
estimate.

Amount calculated for
the current fiscal year. It becomes
the past year estimate in the plan
two years hence.